Chapter 41.44 RCW STATEWIDE CITY EMPLOYEES' RETIREMENT

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RCW 41.44.010 Title of chapter. This chapter shall be known and may be cited as the "Statewide City Employees' Retirement System Law". [1947 c 71 § 1; Rem. Supp. 1947 § 9592-130.]

Severability—1947 c 71: "If any provision of this act, or the application thereof to any person or circumstance, is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the provision or application so held invalid, and for such purposes the provisions of this act are declared to be severable." [1947 c 71 § 26.] This applies to RCW 41.44.010 through 41.44.250.

- RCW 41.44.020 Purpose of chapter. The purpose of this chapter is to provide for an actuarially sound system for the payment of annuities and other benefits to officers and employees and to beneficiaries of officers and employees of cities and towns thereby enabling such employees to provide for themselves and their dependents in case of old age, disability and death, and effecting economy and efficiency in the public service by furnishing an orderly means whereby such employees who have become aged or otherwise incapacitated may, without hardship or prejudice, be retired from active service. [1947 c 71 § 2; Rem. Supp. 1947 § 9592-131.]
- RCW 41.44.030 Terms defined. As used in this chapter, unless a different meaning is plainly required by the context:
- (1) "Accumulated additional contributions" means the sum of all "additional contributions" made by a member standing to the credit of the individual account, together with regular interest thereon.
- (2) "Accumulated normal contributions" means the sum of all normal contributions, deducted from the compensation of a member, standing to the credit of his or her individual account, together with regular interest thereon.
- (3) "Actuarial equivalent" means a benefit of equal value when computed at regular interest upon the basis of such mortality tables as shall be adopted by the board of trustees.
- (4) "Additional contributions" means contributions made pursuant to subsection (6) of RCW 41.44.130.
- (5) "Annuity" means payments derived from contributions made by a member as provided herein.
- (6) "Beneficiary" means any person in receipt of a pension, annuity, retirement allowance, disability allowance, or any other benefit herein.
 - (7) "Board" means the "board of trustees" provided for herein.
 - (8) "City" or "cities" includes town or towns.
- (9) "Compensation" means the compensation payable in cash, plus the monetary value, as determined by the board of trustees, of any allowance in lieu thereof (but for the purposes of this chapter such "compensation" shall not exceed three hundred dollars per month, except as to those employees of any member city the legislative body of which shall not later than July 1, 1953, have irrevocably elected by resolution or ordinance to increase the limitation herein contained, effective as to all of its employees, from three hundred dollars to four hundred dollars, commencing on said date, or which shall so elect prior to January 1st of any succeeding year, effective as of January 1st of any such succeeding year, and as to such employees shall, commencing on the specified date, not exceed four hundred dollars or an amount equal to such increased limitation established by such ordinance or resolution per month): PROVIDED HOWEVER, That the foregoing limitation shall not apply to uniformed personnel.
- (10) "Compensation earnable" means the full rate of compensation that would be payable to an employee if he or she worked the full normal working time (but for the purposes of this chapter, such "compensation earnable" shall not exceed three hundred dollars per month, except as to those employees of any member city the legislative body of which shall not later than July 1, 1953, have irrevocably elected by resolution or ordinance to increase the limitation herein contained, effective as to all of its employees, from three hundred

dollars to four hundred dollars, commencing on said date, or which shall so elect prior to January 1st of any succeeding year, effective as of January 1st of any such succeeding year, and as to such employees shall, commencing on the specified date, not exceed four hundred dollars or an amount equal to such increased limitation established by such ordinance or resolution per month): PROVIDED, HOWEVER, That the foregoing limitation shall not apply to uniformed personnel: PROVIDED FURTHER, That after January 1, 1968 this term shall mean the full rate of compensation payable to an employee if he or she worked the full normal working time.

- (11) "Creditable service" means such service as is evidenced by the record of normal contributions, plus prior service as evidenced by prior service certificate.
- (12) "Current service" means service after the employee has become a member of the system.
- (13) "Effective date" when used with regard to employees means the date on which any individual or group of employees became members of any retirement system and when used with regard to any city or town shall mean the date on which it became a participant.
- (14) "Employee" means any appointive officer or employee and shall include elective officials to the extent specified herein.
- (15) "Excess interest income" means that interest income earned and received from investments in excess of the interest income on investments required to meet actuarial funding requirements.
- (16) "Final compensation" means the highest average annual compensation earnable in any five consecutive years of actual service rendered during the ten years immediately preceding retirement, or where the employee has less than five consecutive years of actual service, the earnable compensation for the last five years preceding his or her retirement.
- (17) "Fiscal year" means any year commencing with January 1st and ending with December 31st next following.
- (18) "Matching contribution" means the contribution of the city deposited in an amount equal to the normal contributions of the employee.
- (19) "Member" means any person included in the membership of the retirement system as provided herein.
- (20) "Miscellaneous personnel" means officers and employees other than those in the uniformed police or fire service: PROVIDED, Those members of the fire department who are ineligible to the benefits of a firefighters' pension system established by or pursuant to any other state law, are also included in the miscellaneous personnel.
- (21) "Normal contributions" means the contributions at the rate provided for in RCW 41.44.130, excluding those referred to in subsection (6).
- (22) "Part time employees" means those employees who, although regularly and continuously employed, do not regularly perform their duties the full number of hours required of other regular employees, including but not confined to such employees as police judges, city attorneys, and other officers and employees who are also engaged in outside employment or occupations.
- (23) "Pension" means payments derived from contributions made by the city as provided herein.
- (24) "Persons having an insurable interest in his or her life" means and includes only such persons who, because of relationship from ties of blood or marriage, have reason to expect some benefit from the continuation of the life of the member.

- (25) "Prior service" means the service of a member for compensation rendered a city prior to the effective date and shall include service in the armed forces of the United States to the extent specified herein and service specified in RCW 41.44.120(5).
- (26) "Regular interest" means interest compounded annually at such rate as shall have been adopted by the board of trustees in accordance with the provisions of this chapter.
- (27) "Released matching contributions" means such "matching contributions" as are no longer held for the benefit of the employee.
 - (28) "Retirement allowance" means the pension plus annuity.
- (29) "Retirement fund" means "statewide city employees retirement fund" provided for herein.
- (30) "Retirement system" means the statewide city employees retirement system provided for herein.
- (31) "Service" means service rendered to a city for compensation; and for the purpose of this chapter a member shall be considered as being in service only while he or she is receiving compensation from the city for such service or is on leave granted for service in the armed forces of the United States as contemplated in RCW 41.44.120.
- (32) "Uniformed personnel" means any employee who is a police officer in service or who is subject to call to active service or duty as such. [2012 c 117 \S 61; 1967 ex.s. c 28 \S 6; 1961 c 227 \S 1; 1959 c 70 \S 1; 1953 c 228 \S 1; 1951 c 275 \S 2; 1947 c 71 \S 3; Rem. Supp. 1947 \S 9592-132.]

Reviser's note: The definitions in this section have been alphabetized pursuant to RCW 1.08.015(2)(k).

Purpose—1967 ex.s. c 28: "It is the purpose of this act to provide amendments to existing legislation relating to the statewide city employees retirement system to provide for an increase of investment earnings to be used for costs in purchasing, safekeeping, servicing and handling of securities, to amend the mandatory retirement age of uniformed personnel from attained age fifty-five to the minimum age for social security benefits, to change the time required for vested rights from ten years to five years in accordance with the recommendation of the federal committee on intergovernmental relations and to help meet competition with private industry by providing additional fringe benefits or an incentive program for city employees to attract and retain competent employees in public service." [1967 ex.s. c 28 § 1.]

Severability—1967 ex.s. c 28: "If any provision of this 1967 amendatory act, or its application to any person or circumstance is held invalid, the remainder of this 1967 amendatory act, or the application of the provision to other persons or circumstances is not affected." [1967 ex.s. c 28 § 8.]

RCW 41.44.040 System created—Operative date. A retirement system is hereby authorized for employees of cities, same to become operative after the requisite city or cities or combination thereof, have signified their intention to participate in the retirement system and the board has been appointed and qualified as herein provided. The board may begin to function, establish an office, employ an actuary and such other personnel as necessary and undertake the work of establishing the retirement system but it shall not be required to

undertake such work unless necessary moneys are made available through negotiated loans or advances from cities or otherwise.

Whenever cities have notified the governor of election to join the retirement system to an extent which would place three hundred or more employees under the system, the governor shall appoint board members as provided herein and the system so created and established shall be forthwith constituted. The date when the system shall become operative as to any city shall be fixed by the board. [1947 c 71 § 4; Rem. Supp. 1947 § 9592-133.1

Reviser's note: Caption for 1947 c 71 § 4 reads as follows: "Sec. 4. AUTHORIZATION AND CREATION."

- RCW 41.44.050 Election to participate. Any city or town may elect to participate in the retirement system established by this chapter: PROVIDED, That a first-class city may establish or maintain any other retirement system authorized by any other law or its charter. The manner of election to participate in a retirement system under this chapter shall be as follows:
- (1) The legislative body therein by ordinance making such election;
- (2) Approval by vote of the people of an ordinance initiated by the voters making such election;
- (3) Approval by vote of the people of an ordinance making such election referended to the people by the legislative body.

Any ordinance providing for participation therein may on petition of the voters be referended to the voters for approval or disapproval.

The referendum or initiative herein provided for shall be exercised under the law relating to legislative initiative or referendum of the particular city or town; and if the city or town be one for which the law does not now provide such initiative or referendum, it shall be exercised in the manner provided for legislative initiative and referendum of cities having a commission form of government under chapter 35.17 RCW, the city or town council performing the duties and functions under that law devolving on the commission. A majority vote in the legislative body or by the electorate shall be sufficient to carry or reject. Whenever any city or town has elected to join the retirement system proper authorities in such city [or town] shall immediately file with the board an application for participation under the conditions included in this chapter on a form approved by the board. In such application the city or town shall agree to make the contributions required of participating cities [or towns] in the manner prescribed herein and shall state which employee group or groups are to originally have membership in the system.

In the case of a state association of cities and towns, election to participate shall be by majority vote of the board of directors of the association. [1994 c 81 § 76; 1971 ex.s. c 271 § 13; 1947 c 71 § 5; Rem. Supp. 1947 § 9592-134.]

Severability-1971 ex.s. c 271: See note following RCW 41.32.260.

RCW 41.44.060 Persons excluded. Police officers in first-class cities and all city firefighters shall be excluded from the provisions of this chapter, except those employees of the fire department who are not eligible to the benefits of any firefighters' pension system established by or pursuant to state law, and who shall be included in the miscellaneous personnel. [2007 c 218 § 71; 1951 c 275 § 3; 1947 c 71 § 6; Rem. Supp. 1947 § 9592-135.]

Intent—Finding—2007 c 218: See note following RCW 41.08.020.

Firefighters' relief and pensions: Chapters 41.16, 41.18 RCW.

Police relief and pensions in first-class cities: Chapter 41.20 RCW.

Volunteer firefighters' relief and pensions: Chapter 41.24 RCW.

RCW 41.44.070 Board of trustees. (1) The board of trustees shall consist of seven members, one of whom shall be the state insurance commissioner, ex officio; three elective city officials eligible to the benefits of the system who shall be appointed by the governor from a list of six city officials submitted by the executive committee of the association of Washington cities as the official representative of cities and towns in the state. Original terms of office of the appointees shall be one, two and three years as designated by the governor; thereafter terms shall be for three years duration. Appointments to fill vacancies other than those caused by expiration of a term, shall be for the unexpired term. Appointees shall serve until successors have been appointed and qualified.

In addition to these four members, there shall be three city employees who shall be elected by a secret ballot vote of the city employees who are members of the system. The method and details of such election shall be determined by the board of trustees. The first such election shall be held in June of 1968. The original terms of office for the elected city employee members shall be one, two and three years as designated by the board of trustees, and such terms shall begin July 1, 1968; thereafter terms shall be for three years' duration. In the case of vacancies of elected city employee positions the board of trustees shall appoint city employees to serve for the unexpired terms. Such appointees shall serve until successors have been elected.

- (2) The board shall annually, dating from the first officially recorded meeting, elect a chair and secretary. Four members shall constitute a quorum.
- (3) Each member of the board shall take an oath of office that he or she will diligently and honestly administer the affairs of the board, and that he or she will not knowingly violate or willfully permit to be violated any of the provisions of this chapter. [2012 c 117 § 62; 1967 ex.s. c 28 § 7; 1947 c 71 § 7; Rem. Supp. 1947 § 9592-136.1

Purpose—Severability—1967 ex.s. c 28: See notes following RCW 41.44.030.

RCW 41.44.080 Powers and duties of board—Compensation— Liability. The administration of the system is hereby vested in the board of trustees created in RCW 41.44.070 of this chapter and the board shall:

- (1) Keep in convenient form such data as shall be deemed necessary for actuarial valuation purposes;
- (2) From time to time, through its actuary, make an actuarial investigation into the mortality and service experience of the beneficiaries under this chapter and the various accounts created for the purpose of showing the financial status of the retirement fund;
- (3) Adopt for the retirement system the mortality tables and such other tables as shall be deemed necessary;
- (4) Certify annually the amount of appropriation which each city shall pay into the retirement fund in the next fiscal year, at such a time that the local authorities shall have ample opportunity for including such expense in the budget;
- (5) Keep a record of all its proceedings, which shall be open to inspection by the public;
- (6) From time to time adopt such rules and regulations not inconsistent with this chapter, for the administration of the provisions of this chapter, for the administration of the fund created by this chapter and the several accounts thereof, and for the transaction of the business of the board;
- (7) Provide for investment, reinvestment, deposit, and withdrawal of funds;
- (8) Prepare and publish annually a financial statement showing the condition of the fund and the various accounts thereof, and setting forth such other facts, recommendations, and data as may be of use in the advancement of knowledge concerning the statewide city employees retirement system, and furnish a copy thereof to each city which has joined the retirement system, and to such members as may request copies thereof;
- (9) Serve without compensation but shall be reimbursed for expense incident to service as individual members thereof;
- (10) Determine equitable amount of administrative expense and death-in-line-of-duty benefit expense to be borne by each city;
- (11) Make available to any city considering participation in the system, the services of the actuary employed by the board for the purpose of ascertaining the probable cost of such participation. The cost of any such calculation or valuation shall be paid by the city requesting same to the retirement system;
- (12) Perform such other functions as are required for the execution of the provisions of this chapter;
- (13) No member of the board shall be liable for the negligence, default, or failure of any employee or of any other member of the board to perform the duties of his or her office and no member of the board shall be considered or held to be an insurer of the funds or assets of the retirement system but shall be liable only for his or her own personal default or individual failure to perform his or her duties as such member and to exercise reasonable diligence to provide for the safeguarding of the funds and assets of the system;
- (14) Fix the amount of interest to be credited at a rate which shall be based upon the net annual earnings of the fund for the preceding twelve-month period and from time to time make any necessary changes in such rate;
- (15) Distribute excess interest income to retired members on a cost of living index basis, as published by the United States department of health, education, and welfare, applied only to the annuity and current service portion of the retired members' retirement allowance: PROVIDED, That such distribution shall not exceed the income earned and received on open end investments. [2012 c 117 § 63;

1961 c 227 § 2; 1951 c 275 § 4; 1949 c 171 § 1; 1947 c 71 § 8; Rem. Supp. 1949 § 9592-137.]

RCW 41.44.090 Contributions by cities—Withdrawal from system.

- (1) There shall be paid into the retirement fund by contributions of each city the amounts necessary to pay the following:
 - (a) Contributions equal to those deposited by employees;
 - (b) Prior service credits at such rate as may be selected;
- (c) That part of a retirement allowance necessary to raise it to a specified minimum;
- (d) An equitable share of the administrative costs, all of which costs are to be paid by the cities;
- (e) An equitable share of the cost of the death-in-the-line-ofduty benefit, all of which costs are to be paid by the cities.

Any city having in its employ ten or more employees who are members of the system may elect to contribute, in lieu of its contributions set forth in item (a) above, an amount estimated actuarially necessary to match at retirement the accumulated normal contributions of those of its members who will ultimately retire for service or disability; provided that such election shall be made by resolution or ordinance of the legislative body of such city and, in order to become effective for the remainder of the year 1953, shall be made on or before July 1, 1953, and thereafter any election so made shall be made prior to January 1, 1954, to become then effective or prior to January 1st of any succeeding year to become effective on January 1st of such succeeding year.

Any city may, with the approval of the board, further elect to contribute in lieu of its contributions set forth in items (b) and (c) above, an amount estimated actuarially, necessary to amortize over a period of not to exceed thirty years, all liabilities on account of the participation of such a city, which are not covered by the contributions of its employees, its funds on hand and its contributions provided for in item (a) above or the contributions elected to be made in lieu thereof in cases where such city shall have elected to make said contribution in lieu of the contributions required in said item (a); provided that such election shall be made by resolution or ordinance of the legislative body of such city and, in order to become effective for the remainder of the year 1953, shall be made on or before July 1, 1953, and thereafter any election so made shall be made prior to January 1, 1954, to become then effective or prior to January 1st of any succeeding year to become effective on January 1st of such succeeding year.

In the event that any city shall be making either of the lieu contributions as hereinabove set forth, the resulting contributions shall be adjusted to conform with facts and conditions disclosed by each succeeding actuarial valuation.

(2) Payment of the obligation set forth in subsection (1) of this section may be made in advance or may be paid currently as contributions are received from employees and pensions are paid to retired members: PROVIDED, That the share of administrative expense and expense of the death-in-the-line-of-duty benefits shall be paid as soon as funds are available to make such payment and the board shall have the right to require any city that has withdrawn from the system, to annually, at the beginning of each calendar year, deposit and pay in cash an amount estimated by the board to be sufficient to meet the

- obligation of such city for the ensuing year to those of its members receiving a retirement allowance. From time to time each city may apply reserves in payment of the obligations set forth above as contemplated in RCW 41.44.200.
- (3) The board shall furnish each city with an estimate of the amount necessary to pay the obligations of the city in the ensuing fiscal year and the city shall provide therefor in its budget. The board shall cause to be kept an account with each city, crediting the account with such advances and payments as are made by the city and debiting the account with such charges as properly accrue against the city. The board shall furnish each city with a monthly statement of the amount of matching contributions, prior service charges and charges for minimum retirement allowances properly accruing by reason of payment of retirement allowances and deposit of contributions of members.
- (4) Notwithstanding anything to the contrary, the retirement system shall not be liable for the payment of any retirement allowances or other benefits on account of the employees or retired members of any city under this chapter, for which reserves or quarantees have not been properly set up by such city or its employees to pay such retirement allowances or other benefits: PROVIDED, That nothing herein contained shall be so construed to prevent the establishment of a reserve account for annuities and pensions in which shall be placed at the time of retirement of any member the balances of the retiring member's contribution and the city's matching funds for such member and from which account all annuities and current service pensions shall be paid.
- (5) Any city may, by majority vote of its electors, withdraw from participation in the retirement system two years after giving written notice to the board of such action by the electorate. It is hereby specifically provided, however, that the city's obligation to those members receiving or eligible to a retirement allowance prior to such termination of participation shall continue in full force and effect as provided in this chapter. Members not receiving or being eligible to a retirement allowance at time of such termination shall be paid their accumulated contributions on demand. Should it develop that any such city is entitled to a refund such refund shall be made within one year following demand of city entitled thereto. [1953 c 228 § 2; 1951 c 275 § 5; 1949 c 171 § 2; 1947 c 71 § 9; Rem. Supp. 1949 § 9592-138.]
- RCW 41.44.100 Retirement fund—Deposit—Investment—Cost. (1) A fund is hereby created and established to be known as the "statewide city employees retirement fund," and shall consist of all moneys paid into it in accordance with the provisions of this chapter, whether such moneys shall take the form of cash, securities, or other assets: PROVIDED, That such assets shall be public funds to the extent necessary to authorize any bank to deposit such collateral security necessary and required under the laws of the state to secure the deposit of public funds belonging to a city.
- (2) The board of trustees shall be the custodian of the retirement fund and shall arrange for the safekeeping thereof. Subject to such provisions as may be prescribed by law for the deposit of city funds in banks, cash belonging to the retirement fund may be deposited in any licensed national bank or banks in the state, or in any bank, banks or corporations authorized or licensed to do a banking business

and organized under the laws of the state of Washington; and may be withdrawn on order of the board for the purpose of making such payments as are authorized and required by this chapter.

- (3) The board may invest pension fund moneys in such securities of the United States, states, Dominion of Canada, public housing authorities, municipal corporations and other public bodies, as are designated by the laws of the state as lawful investments for the funds of mutual savings banks, and to invest not to exceed twenty-five percent of the system's total investments in the securities of any corporations or public utility bodies as are designated by the laws of the state as lawful investments for the funds of mutual savings banks: PROVIDED, That not more than five percent of the system's total investments may be made in the securities of any one of such corporations or public utility bodies.
- (4) Subject to the limitations hereinafter provided, investment of pension funds may also be made in amounts not to exceed twenty-five percent of the system's total investments in the shares of certain open-end investment companies: PROVIDED, That not more than five percent of the system's total investments may be made in the shares of any one such open-end investment company. The total amount invested in any one company shall not exceed five percent of the assets of such company, and shall only be made in the shares of such companies as are registered as "open-end companies" under the federal investment company act of 1940, as amended. Such company must be at least ten years old and have net assets of at least five million dollars. It must have no outstanding bonds, debentures, notes, or other evidences of indebtedness, or any stock having priority over the shares being purchased, either as to distribution of assets or payment of dividends. It must have paid dividends from investment income in each of the ten years next preceding purchase. The maximum selling commission on its shares may not exceed seven and one-half percent of the sum of the asset value plus such commission.
- (5) Investment of pension funds may also be made in the bonds of any municipal corporation or other public body of the state; and in any of the bonds or warrants, including local improvement bonds or warrants within the protection of the local improvement guaranty fund law, issued by any city or town which is a member of the system. Investment of pension funds may also be made in the bonds or other obligations of any other state or territory of the United States or of any political subdivision, agency or instrumentality of any such state, territory, or political subdivision thereof.

Investment of pension funds may also be made in bonds or other obligations insured or guaranteed or which are covered by a repurchase agreement in whole or in part by the federal government or through any corporation, administrator, agency or instrumentality which is or hereafter may be created by the federal government.

(6) In order to provide for an equitable apportionment of the cost of the making and handling of the system's investments, the board may charge against the annual earnings from the system's investments, including income from the same and gains realized from the purchase and sale of its securities, a portion of such earnings computed on the book value of the investments held by the system at the end of its fiscal year, for the purpose of paying the cost of purchasing, safekeeping, servicing and handling its securities: PROVIDED, That such portion shall not exceed one-half of one percent of such value and shall not exceed the net gain from the operations for the year: PROVIDED FURTHER, That such charge shall not be considered as an

administrative expense payable solely by the cities. [1967 ex.s. c 28 § 3; 1965 ex.s. c 99 § 1; 1957 c 158 § 1; 1953 c 228 § 3; 1951 c 275 § 6; 1949 c 171 § 3; 1947 c 71 § 10; Rem. Supp. 1949 § 9592-139.]

Purpose—Severability—1967 ex.s. c 28: See notes following RCW 41.44.030.

- RCW 41.44.105 Supplemental benefits fund. (1) The board of trustees shall establish, in addition to the several benefits provided for, an additional and separate fund to be known as the "supplemental benefits fund" to provide for the payment of supplemental benefits, as hereinafter provided for employees of municipalities electing to participate in said fund.
- (2) Any municipality which has elected to participate in this retirement system may elect to have the employees of the municipality participate in and be covered by the supplemental benefits fund. Such election is authorized to be made in any manner authorized by RCW 41.44.050, as now or hereafter amended, as it relates to participation in the system.
- (3) A municipality which once elects to participate in the supplemental benefits fund shall never discontinue participation in the fund as to members who are covered in the fund.
- (4) Membership in the fund shall be terminated by cessation of membership in the system.
- (5) Each municipality which elects to participate in the supplemental benefits fund shall contribute to that fund, in addition to normal contributions and prior service contributions as required, such additional percentage of each payment of earnings as may be fixed by the board, on recommendation of the actuary, as necessary to accumulate the reserves needed to pay the anticipated benefit: PROVIDED, That the rate of contribution to the supplemental benefits fund shall be on the full compensation of the member.
- (6) The supplemental benefit for covered employees shall be an allowance not to exceed fifteen percent of average final compensation payable at the time of retirement.
- (7) Should the service of a member be discontinued by other than death or retirement, the benefits and privileges as provided by RCW 41.44.190 as now or hereafter amended, shall apply.
- (8) A municipality which elects to participate in the supplemental benefits fund shall provide such benefits for all members employed by such city. [1967 ex.s. c 28 § 2.]

Purpose—Severability—1967 ex.s. c 28: See notes following RCW 41.44.030.

- RCW 41.44.110 Membership. (1) Subject to subsection (2) of this section, membership of this retirement system shall be composed of the following groups of employees in any participating city or cities:
 - (a) Miscellaneous personnel as defined in this chapter;
 - (b) Uniformed personnel as defined in this chapter;
- (c) Elective officials, who shall have the right to membership in this retirement system upon filing written notice of such election with the board of trustees;

- (d) Employees of the retirement system itself shall be entitled to membership and any costs in connection with such membership shall be a part of the cost of administration;
- (e) Employees of any state association of cities and towns shall be entitled to membership, upon election to participate made by the board of directors pursuant to RCW 41.44.050, and any costs in connection with such membership which would be borne by a city in the case of employees of a city shall be borne by the association.
- (2) Any city may, when electing to participate in this retirement system in the manner set forth in RCW 41.44.050, include any one group or combination of the groups mentioned in subsection (1) of this section. For an initial period not to exceed one year from the effective date of any city's entry into this system, if so provided at the time of its election to participate, only a majority of the employees of any group or combination of groups must be members of the system.

At all times subsequent to the effective date of the city's entry into this system, or at all times after expiration of such initial period, if such initial period is established at the time of the city's election to participate, all employees of any group or combination of groups must be included or excluded as members of this system. Groups (c) and (d) shall be considered as being composed of miscellaneous personnel as far as benefits and obligations are concerned except when the contrary is clearly indicated.

- (3) Subject to subsection (2) of this section, membership in the retirement system shall be compulsory for all employees in groups (a) and (b), after qualification as provided in subsection (4) of this section.
- (4) Subject to subsection (2) of this section, all employees in city service, on the effective date, or on June 9, 1949, or on expiration of the initial period therein provided if they have completed six consecutive months' service or six months' service in any calendar year prior to the expiration of such initial period, shall be members of the system, provided that such employees who are not regular full time employees and are earning less than one hundred dollars per month, or are part time employees serving in an official or special capacity may with the acquiescence of the legislative body of the city or town in which they are employed, elect on or before January 1, 1950, to discontinue membership by giving written notice of such election to the board. All other regular employees earning more than one hundred dollars per month shall become members upon the completion of six consecutive months' service or six months' service in any calendar year. Any employee otherwise eligible, employed in a permanent position, may elect in writing to become a member of the system at any time during the initial period, or at any time prior to completing such six months' service. Such individual employees other than regular employees, who are earning less than one hundred dollars per month or who are serving in an official or special capacity may elect to become members with the acquiescence of the legislative body of the city or town in which they are employed upon the completion of six months of consecutive service or six months' service in any calendar year.
- (5) It shall be the duty of the proper persons in each city to immediately report to the board routine changes in the status of personnel and to immediately furnish such other information regarding the employment of members as the board may from time to time require.

- (6) Should any member withdraw more than one-quarter of his or her accumulated contributions, or should he or she die or be retired, he or she shall thereupon cease to be a member.
- (7) Transfer of any employee from one city to another shall not cause the employee to lose membership in the system providing the city to which he or she transfers participates in the retirement system created herein. [2012 c 117 § 64; 1971 ex.s. c 271 § 14; 1965 ex.s. c 99 § 2; 1961 c 227 § 3; 1953 c 228 § 4; 1951 c 275 § 7; 1949 c 171 § 4; 1947 c 71 § 11; Rem. Supp. 1949 § 9592-140.]

Severability-1971 ex.s. c 271: See note following RCW 41.32.260.

- RCW 41.44.120 Prior service credit. (1) Subject to subsections (4) and (5) of this section the following members shall be entitled to prior service credit:
 - (a) Each member in service on the effective date.
- (b) Each member entering after the effective date if such entry is within one year after rendering service prior to the effective
- (c) Each member entering in accordance with the provisions and subject to the conditions and limitations prescribed in subsection (5) of this section.
- As soon as practicable, the board shall issue to each member entitled to prior service credit a certificate certifying the aggregate length of service rendered prior to the effective date. Such certificate shall be final and conclusive as to his or her prior service unless hereafter modified by the board, upon application of the member.
- (2) Each city joining the system shall have the privilege of selecting the rate at which prior service pensions shall be calculated for its employees and may select any one of the three rates set forth below:
- (a) 1.33% of final compensation multiplied by the number of years of prior service credited to the member. This rate may be referred to as "full prior service credit."
- (b) 1.00% of final compensation multiplied by the number of years of prior service credited to the member. This rate may be referred to as "full prior service credit."
- (c) .667% of final compensation multiplied by the number of years of prior service credited to the member. This rate may be referred to as "one-half prior service credit."
- (3) The above rates shall apply at the age of sixty-two or over for members included in the miscellaneous personnel and at age sixty or over for members in the uniformed personnel: PROVIDED, That if a member shall retire before attaining either of the ages above referred to, the total prior service pension shall be reduced to the percentages computed and established in accordance with the following tables, to wit:

Miscellaneous Personnel	
Percent of Full Prior Service Allowable	
Male Female	

Iviaic			Temale	
	Factor	Age		Factor
	65.48	45		66.78
	66.86	46		67.91
	68.29	47		69.09
	69.77	48		70.34
	71.28	49		71.67
		Factor 65.48 66.86 68.29 69.77	Factor Age 65.48 45 66.86 46 68.29 47 69.77 48	Factor Age 65.48 45 66.86 46 68.29 47 69.77 48

]	Miscellaneou	is Perso	nnel	
	Percent	of Full Prior	Service	Allowable	
50		72.82	50		73.10
51		74.43	51		74.71
52		76.13	52		76.41
53		77.93	53		78.21
54		79.84	54		80.11
55		81.86	55		82.12
56		84.00	56		84.24
57		86.28	57		86.50
58		88.69	58		88.89
59		91.26	59		91.42
60		94.00	60		94.11
61		96.90	61		96.96
62		100.00	62		100.00

Percent of Full Prior Service Allowable Uniformed Personnel

Age	Factor
45	 69.66
46	 71.13
47	 72.65
48	 74.22
49	 75.83
50	 77.47
51	 79.18
52	 80.99
53	 82.91
54	 84.93
55	 87.09
56	 89.37
57	 91.79
58	 94.36
59	 97.09
60	 100.00

- (4) If sickness, injury, or service in the armed forces of the United States during the national emergency identified with World War I or World War II and/or service in the armed forces of the United States of America for extended active duty by any employee who shall have been regularly granted a leave of absence from the city service by reason thereof, prevents any regular employee from being in service on the effective date, the board shall grant prior service credit to such person when he or she is again employed. The legislative authority in each participating city shall specify the amount of prior service to be granted or current service credit to be made available to such employees: PROVIDED, That in no case shall such service credit exceed five years. Certificate of honorable discharge from or documentary evidence of such service shall be submitted to the board before any such credit may be granted or made available. Prior or current service rates, or both, for such employees shall not exceed the rates established for fellow employees.
- (5) There shall be granted to any person who was an employee of a private enterprise or a portion thereof which shall be hereafter acquired by a city as a matter of public convenience or necessity, where it is in the public interest to retain the trained personnel of such enterprise or portion thereof, credit for prior service for the period such person was actually employed by such private enterprise, except that this shall apply only to those persons who shall be employees of such enterprise or portion thereof at the time of its acquisition by the city and who remain in the service of such city

until the effective date of membership of such person under this chapter.

There shall be granted to any person who was an employee of any state association of cities and towns, which association elects to participate in the retirement system established by this chapter, credit for prior service for the period such person was actually employed by such association, except that this shall apply only to those persons who shall be employees of such association on May 21, 1971.

Credit for such prior service shall be given only if payment for the additional cost of including such service has been made or if payment of such additional cost or reimbursement therefor has been otherwise provided for to the satisfaction of the board or if such person be entitled to any private pension or retirement benefits as a result of such service with such private enterprise, credit will be given only if he or she agrees at the time of his or her employment by the municipality to accept a reduction in the payment of any benefits payable under this chapter that are based in whole or in part on such added and accredited service by the amount of these private pension or retirement benefits received. The conditions and limitations provided for in this subsection (5) shall be embodied in any certificate of prior service issued or granted by the board where any portion of the prior service credited under this subsection is included therein.

The city may receive payments for these purposes from a third party and shall make from such payments contributions with respect to such prior service as may be necessary to enable the fund to assume its obligations. [2012 c 117 § 65; 1971 ex.s. c 271 § 15; 1959 c 70 § 2; 1957 c 158 § 2; 1951 c 275 § 8; 1947 c 71 § 12; Rem. Supp. 1947 § 9592-141.1

Severability-1971 ex.s. c 271: See note following RCW 41.32.260.

- RCW 41.44.130 Contributions by employees. (1) The normal rates of contribution of members shall be based on sex and age at time of entry into the system, which age shall be the age at the birthday nearest the date of such entry.
- (2) The normal rates of contribution for miscellaneous personnel shall be so fixed as to provide an annuity which, together with the pension provided by the city, shall produce as nearly as may be, a retirement allowance at the age of sixty-two years, of one and onethird percent of the final compensation multiplied by the number of years of service of the retiring employee. The normal rate established for age sixty shall be the rate for any member who has attained a greater age before entrance into the retirement system and the normal contribution established for age twenty-four shall be the rate for any member who enters the system at an earlier age.
- (3) The normal rates of contribution for uniformed personnel shall be so fixed as to provide an annuity which, together with the pension that would be derived from equal contributions by the city, shall produce as nearly as may be for members who enter service at age thirty-seven or below, a retirement allowance, at age fifty-five with twenty-five or more years of service, or at an age greater than fiftyfive after twenty-five years of service, equal to fifty percent of final compensation; and for members entering service at ages over thirty-seven, a retirement allowance at age sixty-two which shall be

the same proportion of fifty percent of final compensation as the member's actual years credited bear to twenty-five years. The normal rate established for age fifty shall be the rate for any member who has attained a greater age before entrance into the retirement system.

- (4) Subject to the provisions of this chapter, the board shall adopt rules and regulations governing the making of deductions from the compensation of employees and shall certify to the proper officials in each city the normal rate of contribution for each member provided for in subsections (2) and (3) of this section. The proper officials in each city shall apply such rate of contribution to the full compensation of uniformed personnel and to so much of the compensation of miscellaneous personnel as does not exceed three hundred dollars per month, or four hundred dollars per month, or to any increased amount of such compensation as to members whose member cities have duly elected to increase the limitation provided for in subsection (12) of RCW 41.44.030 and shall certify to the board on each and every payroll the total amount to be contributed and shall furnish immediately to the board a copy of each and every payroll; and each of said amounts shall be forwarded immediately to the board and the board shall credit the deduction shown on such payroll to individual accounts of the members represented on such payrolls.
- (5) Every member shall be deemed to consent and agree to the contribution made and provided for herein, and shall receipt in full for his or her salary or compensation. Payment less said contributions shall be a full and complete discharge of all claims and demands whatsoever for the service rendered by such person during the period covered by such payment, except his or her claim to the benefits to which he or she may be entitled under the provisions of this chapter.
- (6) Any member may elect to contribute in excess of the contributions provided for in this section in accordance with rules to be established by the board for the purpose of providing additional benefits, but the exercise of this privilege shall not place on the member city or cities any additional financial obligation. The board shall have authority to fix the rate of interest to be paid or allowed upon the additional contributions and from time to time make any necessary changes in said rate. Refunds of additional contributions shall be governed by the same rules as those covering normal contributions unless the board shall establish separate rules therefor. [2012 c 117 § 66; 1965 ex.s. c 99 § 3; 1961 c 227 § 4; 1957 c 158 § 3; 1951 c 275 § 9; 1947 c 71 § 13; Rem. Supp. 1947 § 9592-142.]

RCW 41.44.140 Retirement for service. Retirement of a member for service shall be made by the board as follows:

(1) Each member included in the miscellaneous personnel in service on the effective date, who, on or before such effective date, has attained the age of sixty-five years or over shall be compulsorily retired forthwith: PROVIDED, That there shall be no compulsory retirements for a period of two years immediately following the effective date, but any member having attained the age of sixty-five may voluntarily retire at any time after attaining such age. Members included in the miscellaneous personnel attaining age sixty-five after effective date shall be retired on the first day of the calendar month next succeeding the month in which the member shall have attained sixty-five, but none of such members shall be subject to compulsory retirement until two years after the effective date. The legislative

- authority of the city shall have the privilege at all times of extending time for retirement of any such member to his or her attainment of any age not exceeding age seventy: PROVIDED, That any such extension shall not increase the retirement age of such member in excess of one year at a time.
- (2) Any member included in the miscellaneous personnel may retire by filing with the board a written application duly attested, setting forth on what date he or she desires to be retired, such application to be made at least thirty days prior to date of retirement: PROVIDED, That said member, at the time specified for his or her retirement, shall have attained the age of $\bar{\text{sixty years}}$, or shall have thirty years of creditable service regardless of attained age: PROVIDED FURTHER, That during the two years immediately following the effective date voluntary service retirement of such members under sixty-two years of age shall not be granted.
- (3) Each member included in the uniformed personnel in service on the effective date who on or before such effective date has attained the minimum age for social security benefits shall be compulsorily retired forthwith: PROVIDED, That there shall be no compulsory service retirements for a period of two years immediately following the effective date, but any such member having attained the minimum age for social security benefits may voluntarily retire at any time after attaining such age. Members included in the uniformed personnel attaining the minimum age for social security benefits after the effective date shall be retired on the first day of the calendar month next succeeding the month in which the members shall have attained the minimum age for social security benefits, but none of such members shall be subject to compulsory retirement until two years after the effective date. The legislative authority shall have the privilege at all times of extending time for retirement of any such member: PROVIDED, That any such extension shall not increase the retirement age of such member in excess of one year at a time.
- (4) Any member included in the uniformed personnel may retire by filing with the board a written application duly attested, setting forth on what date he or she desires to be retired, such application to be made at least thirty days prior to date of retirement: PROVIDED, That said members, at the time specified for retirement, shall have twenty-five years of creditable service regardless of age, or shall have attained the age of fifty-five years regardless of years of creditable service: PROVIDED FURTHER, That during the two years immediately following the effective date voluntary service retirement of such members under the minimum age for social security benefits shall not be granted.
- (5) After the retirement of any employee, any member city, by unanimous vote of its legislative body and with the consent of the board, may reemploy or retain such employee in its service to fill a supervisory or key position. [2012 c 117 § 67; 1967 ex.s. c 28 § 4; 1965 ex.s. c 99 § 4; 1961 c 227 § 5; 1953 c 228 § 5; 1951 c 275 § 10; 1947 c 71 § 14; Rem. Supp. 1947 § 9592-143.]

Purpose—Severability—1967 ex.s. c 28: See notes following RCW 41.44.030.

RCW 41.44.150 Allowance on retirement for service. (1) A member upon retirement for service, shall receive a retirement allowance

subject to the provisions of subsection (2) of this section, which shall consist of:

- (a) An annuity which shall be the actuarial equivalent of his or her accumulated normal contributions at the time of his or her retirement; and
- (b) A pension provided by the contributions of the city, equal to the annuity purchased by the accumulated normal contributions of the member;
- (c) For any member having credit for prior service an additional pension, provided by the contributions of the city, as set forth in RCW 41.44.120 at the rate selected by the city employing the member;
- (d) Any member, excepting a part time employee, who has ten or more years of creditable service and who is retired by reason of attaining the age of sixty-five or over if included in the miscellaneous personnel or the age of fifty-five or over if included in the uniformed personnel, and whose retirement allowance is calculated to be less than sixty dollars per month, shall receive such additional pension, provided by the contributions of the city, as will make his or her total retirement allowance equal to sixty dollars per month. An annuity purchased by accumulated additional contributions in such case shall be paid in addition to the minimum quaranteed as herein provided. A part time employee having ten or more years of creditable service, retired by reason of attaining the ages in this subdivision specified and whose retirement allowance is calculated to be less than forty dollars per month, shall receive such additional pension, provided by the contributions of the city, as will make the total retirement allowance equal to forty dollars per month, together with an annuity purchased by his or her accumulated additional contributions, if any, in addition to the minimum guaranteed.

Nothing herein contained shall be construed in a manner to increase or to decrease any pension being paid or to be paid to a member retired prior to June 11, 1953.

(e) Any member, excepting a part time employee, who has been or is retired by reason of attaining the age of sixty-five or over if included in the miscellaneous personnel or the age of fifty-five or over if included in the uniformed personnel, and whose retirement allowance is calculated to be less than sixty dollars per month, shall receive such additional pension, provided by the contributions of the city, as will make his or her total retirement allowance equal to six dollars per month for each year of his or her creditable service: PROVIDED, That the total additional retirement allowance shall be limited to an amount equal to such amount as will make his or her total retirement allowance not more than sixty dollars per month. An annuity purchased by accumulated additional contributions, if any, in such case shall be paid in addition to the minimum guaranteed, as herein provided.

Nothing herein contained shall be construed in a manner to increase or to decrease any pension being paid or to be paid to a member retired prior to June 11, 1953.

(f) The normal retirement age for uniformed personnel shall be age fifty-five with twenty-five years of creditable service, or shall be at an age greater than age fifty-five upon the completion of twenty-five years or more of creditable service. Upon retirement at the normal age, the retirement allowance shall be equal to fifty percent of final compensation. If retirement occurs at an age other than the normal age, the retirement allowance shall be the same proportion of fifty percent of final compensation as the member's

actual years of service bears to the years of service that were or would have been served up to the normal retirement age: PROVIDED, That if retirement occurs prior to the normal age of retirement, said allowance shall be the actuarial equivalent of said allowance at the normal age of retirement.

Nothing herein contained shall be construed in a manner to increase or to decrease any pension being paid or to be paid to a member retired prior to August 6, 1965.

- (2) If the retirement allowance of the member as provided in this section, is in excess of three-fourths of his or her final compensation, the pension of the member, purchased by the contributions of the city, shall be reduced to such an amount as shall make the member's retirement allowance equal to three-fourths of his or her final compensation, except as provided in subdivision (3) of this section.
- (3) A member, upon retirement from service, shall receive in addition to the retirement allowance provided in this section, an additional annuity which shall be the actuarial equivalent of any accumulated additional contributions which he or she has to his or her credit at the time of his or her retirement. [2012 c 117 § 68; 1965 ex.s. c 99 § 5; 1961 c 227 § 6; 1957 c 158 § 4; 1953 c 228 § 6; 1951 c 275 § 11; 1949 c 171 § 5; 1947 c 71 § 15; Rem. Supp. 1949 § 9592-144.]

RCW 41.44.160 Retirement for disability. Any member who has at least ten years of creditable service within the fifteen years immediately preceding retirement and has not attained the age of sixty-five years, or who attains or has attained the age of sixty-five years prior to two years after the effective date, may be retired by the board for permanent and total disability, either ordinary or accidental not incurred in line of duty, and any member, regardless of his or her age or years of service, may be retired by the board for any permanent and total disability incurred in line of duty, upon examination as follows:

Any member while in service, or while physically or mentally incapacitated for the performance of duty, if such incapacity has been continuous from discontinuance of city service, shall be examined by such medical authority as the board shall employ, upon the application of the head of the office or department in which the member is employed with approval of the legislative body, or upon application of said member, or a person acting in his or her behalf, stating that said member is permanently and totally incapacitated, either physically or mentally, for the performance of duty and ought to be retired. If examination shows, to the satisfaction of the board, that the member should be retired, he or she shall be retired forthwith: PROVIDED, That no such application shall be considered or granted upon the application of a member unless said member or someone in his or her behalf, in case of the incapacity of a member, shall have filed the application within a period of one year from and after the discontinuance of service of said member: PROVIDED, The board shall retire the said member for disability forthwith: PROVIDED, That the disability retirement allowance shall be effective on the first of the month following that in which the member last received salary or wages in city service.

The board shall secure such medical services and advice as it may deem necessary to carry out the purpose of this section and RCW

RCW 41.44.170 Allowance on retirement for disability. On retirement for permanent and total disability not incurred in line of duty a member shall receive a retirement allowance which shall consist of:

- (1) An annuity which shall be the actuarial equivalent of his or her accumulated normal contributions; and
- (2) A pension provided by the contributions of the city which, together with his or her annuity provided by his or her accumulated normal contributions, shall make his or her retirement allowance equal to thirty percent of his or her final compensation for the first ten years of service, which allowance shall be increased by one and one-half percent for each year of service in excess of ten years to a maximum of fifty percent of his or her final compensation; otherwise he or she shall receive a retirement allowance of forty dollars per month or, except as to a part time employee, such sum, monthly, not in excess of sixty dollars per month, as is equal to six dollars per month for each year of his or her creditable service, whichever is greater. If the retirement allowance of a part time employee, based upon the pension hereinabove provided, does not exceed forty dollars per month, then such part time employee shall receive a retirement allowance of forty dollars per month and no more.

Nothing herein contained shall be construed in a manner to increase or to decrease any pension being paid or to be paid to a member retired prior to August 6, 1965.

- (3) If it appears to the satisfaction of the board that permanent and total disability was incurred in line of duty, a member shall receive in lieu of the retirement allowance provided under subdivisions (1) and (2) of this section full pay from, and be furnished all hospital and medical care by, the city for a period of six months from the date of his or her disability, and commencing at the expiration of such six month period, shall receive a retirement allowance, regardless of his or her age or years of service, equal to fifty percent of his or her final compensation exclusive of any other benefit he or she may receive.
- (4) No disability retirement allowance shall exceed seventy-five percent of final compensation, anything herein to the contrary notwithstanding, except as provided in subdivision (7) of this section.
- (5) Upon the death of a member while in receipt of a disability retirement allowance, his or her accumulated contributions, as they were at the date of his or her retirement, less any annuity payments made to him or her, shall be paid to his or her estate, or to such persons having an insurable interest in his or her life as he or she shall have nominated by written designation duly executed and filed with the board. In the alternative, if there be a surviving spouse, or if no surviving spouse, there are surviving a child or children under the age of eighteen years, upon written notice to the board by such spouse, or if there be no such spouse, by the duly appointed, qualified and acting guardian of such child or children, within sixty days of the date of such member's death, there shall be paid to such spouse during his or her lifetime, or, if there be no such spouse, to such child or children, until they shall reach the age of eighteen years, a monthly pension equal to one-half of the monthly final

compensation of such deceased member. If any such spouse or child or children shall marry, then such person so marrying shall thereafter receive no further pension herein provided.

- (6) If disability is due to intemperance, willful misconduct, or violation of law, on the part of the member, the board, in its discretion, may pay to said member, in one lump sum his or her accumulated contribution, in lieu of a retirement allowance, and such payment shall constitute full satisfaction of all obligations of the city to such member.
- (7) In addition to the annuity and pension provided for in subdivisions (1) and (2) of this section, a member shall receive an annuity which shall be the actuarial equivalent of his or her accumulated additional contributions. [2012 c 117 § 70; 1973 1st ex.s. c 154 § 78; 1965 ex.s. c 99 § 7; 1961 c 227 § 7; 1957 c 158 § 5; 1953 c 228 § 7; 1951 c 275 § 13; 1947 c 71 § 17; Rem. Supp. 1947 § 9592-146.1

Severability-1973 1st ex.s. c 154: See note following RCW 2.12.030.

RCW 41.44.180 Examination of disability beneficiary—Reentry.

- (1) The board may, at its pleasure, require any disability beneficiary under age sixty-two in the miscellaneous personnel and under age fifty-five in the uniformed personnel to undergo medical examination by medical authority designated by the board. Upon the basis of such examination the board shall determine whether such disability beneficiary is still totally and permanently incapacitated, either physically or mentally, for service in the office or department of the city where he or she was employed or in any other position in that city, the duties of which he or she might reasonably be expected to carry out.
- (2) If the board shall determine that the beneficiary is not so incapacitated his or her retirement allowance shall be canceled and he or she shall be reinstated forthwith in city service. If the city is unable to find employment for a disability beneficiary found to be no longer totally and permanently disabled, the board shall continue the disability retirement allowance of the beneficiary until such time as employment is available, except as provided in paragraph (4) of this section.
- (3) Should a disability beneficiary reenter city service and be eligible for membership in the retirement system, his or her retirement allowance shall be canceled and he or she shall immediately become a member of the retirement system, his or her rate of contribution for future years being that established for his or her age at the time of such reentry. His or her individual account shall be credited with his or her accumulated contributions less the annuity payments made to him or her. An amount equal to the accumulated normal contributions so credited to him or her shall again be held for the benefit of said member and shall no longer be included in the amounts available to meet the obligations of the city on account of benefits that have been granted. Such member shall receive credit for prior service in the same manner as if he or she had never been retired for disability.
- (4) Should any disability beneficiary under age sixty-two in the miscellaneous personnel or under age fifty-five in the uniformed

personnel, refuse to submit to medical examination, his or her retirement allowance may be discontinued until his or her withdrawal of such refusal, and should refusal continue for one year, his or her retirement allowance may be canceled. Should said disability beneficiary, prior to attaining age sixty-two or age fifty-five, as the case may be, engage in a gainful occupation the board shall reduce the amount of his or her retirement allowance to an amount, which when added to the compensation earned by him or her in such occupation, shall not exceed the amount of the final compensation on the basis of which his or her retirement allowance was determined. Should the earning capacity of such beneficiary be further altered, the board may further alter his or her retirement allowance as indicated above. When said disability beneficiary reaches age sixty-two, if included in the miscellaneous personnel, or age fifty-five, in the uniformed personnel, his or her retirement allowance shall be made equal to the amount upon which he or she was originally retired, and shall not again be modified for any cause except as provided in RCW 41.44.250.

(5) Should the retirement allowance of any disability beneficiary be canceled for any cause other than reentrance into city service, he or she shall be paid his or her accumulated contributions, less annuity payments made to him or her. [2012 c 117 § 71; 1961 c 227 § 8; 1947 c 71 § 18; Rem. Supp. 1947 § 9592-147.]

RCW 41.44.190 Withdrawal from system—Reentry—Payment on death (1) Should service of a member of the miscellaneous personnel be discontinued except by death or retirement, he or she shall be paid six months after the day of discontinuance such part of his or her accumulated contributions as he or she shall demand. Six months after the date of such discontinuance, unless on leave of absence regularly granted, or unless he or she has exercised the option hereinafter provided, his or her rights to all benefits as a member shall cease, without notice, and his or her accumulated contributions shall be returned to him or her in any event or held for his or her account if for any reason the return of the same is prevented. Should service of a member of the uniformed personnel be discontinued except by death or retirement, he or she shall be paid six months after the day of discontinuance such part of his or her accumulated contributions as he or she shall demand, and six months after the date of such discontinuance, unless on leave of absence regularly granted, his or her rights to all benefits as a member shall cease, without notice, and his or her accumulated contributions shall be returned to him or her in any event, or held for his or her account if for any reason the same is prevented: PROVIDED, That the board may in its discretion, grant the privilege of withdrawal in the amounts above specified at any time following such discontinuance. Any member whose service is discontinued except by death or retirement, and who has five or more years of creditable service when such discontinuance occurs, may, at his or her option, leave his or her accumulated contributions in the fund and thereby be entitled to receive a deferred retirement allowance commencing at retirement age sixty for miscellaneous personnel and at age fifty-five for uniformed personnel, such retirement allowance to be computed in the same manner provided in subsection (1) of RCW 41.44.150: PROVIDED, That this option may be revoked at any time prior to commencement of annuity payments by filing a written notice of such intention with the board together with a written application for a refund of such accumulated contributions. The board may establish rules and regulations to govern withdrawal and redeposit of contributions.

- (2) Should a former member, within five years after discontinuance of service, return to service in the same city in which he or she was employed he or she may restore to the fund in such manner as may be agreed upon by such person and the board, his or her withdrawn normal accumulated contributions as they were at the time of his or her separation from service and upon completion of such redeposit all his or her rights and privileges existing at the time of discontinuance of service shall be restored and his or her obligations as a member shall begin again. The rate of contribution of such returning member shall be the same as it was at the time he or she separated from service.
- (3) Upon the death of any person who has not been retired, pursuant to the provisions hereof, there shall be paid to his or her estate, or to such persons having an insurable interest in his or her life as he or she shall have nominated by written designation duly executed and filed with the board, his or her accumulated contributions less any payments therefrom already made to him or her. Such payment may be made in one lump sum or may be paid in installments over a period of not to exceed five years, as may be designated by the member or his or her beneficiary, with such rate of interest as may be determined by the board.
- (4) In lieu of the death benefit otherwise payable under subsection (3) of this section, there shall be paid a total allowance equal to one-fourth average final compensation per month to the surviving spouse of a member with at least twenty years service as such, at the time of death and who has not been retired and who, by reason of membership in the system, is covered by the Old Age and Survivors Insurance provisions of the Federal Social Security Act, but not at the time of death qualified to receive the benefits thereof. Said allowance shall become payable upon the death of said member or upon the date the surviving spouse becomes ineligible for any benefit payment from the Federal OASI, if later, and shall cease upon death or remarriage, or upon the date the surviving spouse would become entitled, upon application therefor; to any insurance benefit from the Federal OASI system, whichever event shall first occur: PROVIDED, That said benefit shall cease upon the beneficiary becoming employed by any member city of said system: PROVIDED FURTHER, That this allowance shall consist of:
- (a) An amount which shall be the actuarial equivalent of the normal contributions at the time specified for retirement;
- (b) An amount provided by the contributions of the city, equal to the annuity purchased by the accumulated normal contributions of the member;
- (c) Such additional amount, provided by the contributions of the city, as will make the total allowance equal to one-fourth average final compensation per month;
- (d) An annuity purchased by the accumulated additional contributions, if any, in addition to the minimum guaranteed.
- (5) In lieu of the death benefit otherwise payable under subsection (3) of this section, the surviving spouse of a member who dies after having attained the minimum requirements for his or her service retirement as required by RCW 41.44.140 may elect to receive the allowance which would have been paid to such surviving spouse had the member been retired on the date of his or her death and had he or

she elected to receive the lesser retirement allowances provided for in option C of RCW 41.44.220.

(6) If a former member shall, within one year from date of discontinuance of service, be employed by another city participating in this retirement system he or she shall have the privilege of redepositing and the matching contributions deposited by the city or cities in which he or she was formerly employed shall again be held for the benefit of such member. If such redepositing member possessed a prior service certificate the city employing him or her at time of retirement shall accept the liability evidenced by such certificate.

Reinstatement of a prior service certificate shall be effective only upon a showing that normal contributions are on deposit in the retirement fund, to the credit of the member, covering all current service. [2012 c 117 § 72; 1967 ex.s. c 28 § 5; 1965 ex.s. c 99 § 8; 1961 c 227 § 9; 1951 c 275 § 14; 1947 c 71 § 19; Rem. Supp. 1947 § 9592-148.1

Purpose—Severability—1967 ex.s. c 28: See notes following RCW 41.44.030.

RCW 41.44.200 Withdrawal—Procedure as to city's contribution.

Whenever a member withdraws his or her accumulated normal contributions the matching contributions of the city so released shall be transferred to a reserve account created for the purpose of showing the amount of credits due each city through such operation. Such credits may be used by the city to apply on any charges made against the city but only so much thereof as will insure leaving in such account an amount estimated to be sufficient to again match contributions redeposited by employees returning to service as contemplated in RCW 41.44.190. The board may credit such reserve accounts with interest at such rate as the board deems equitable: PROVIDED, That as to any member city which has elected to and is making contributions in lieu of those required in RCW 41.44.090(1)(a), there shall be no release of the city's matching contributions after the date of its commencement to make such lieu contributions: PROVIDED FURTHER, That any released contributions of any such city which have been credited to its reserve account prior to the date of such commencement, shall be available to it for the purposes hereinabove specified, unless the board shall determine that their immediate use for such purposes would result in a harmful effect upon the assets of the system, in which event the board shall have the right to defer their use for a reasonable time in which to permit it to make adjustments in the current assets of the system to prevent the same. [2012 c 117 § 73; 1953 c 228 § 8; 1947 c 71 § 20; Rem. Supp. 1947 § 9592-140.1

RCW 41.44.210 Benefit on death in line of duty. Upon the death of any member who dies from injuries or disease arising out of or incurred in the performance of his or her duty or duties, of which the board of trustees shall be the judge, if death occurs within one year from date of discontinuance of city service caused by such injury, there shall be paid to his or her estate or to such person or persons having an insurable interest in his or her life, as he or she shall have nominated by written designation duly executed and filed with the

board, the sum of one thousand dollars, purchased by the contributions of the cities participating in the retirement system; and in addition thereto there shall be paid to the surviving spouse during such spouse's lifetime, or if there be no surviving spouse, then to his or her minor child or children until they shall have reached the age of eighteen years, a monthly pension equal to one-half the monthly final compensation of such deceased member. If any such spouse, or child or children shall marry, then such person so marrying shall thereafter receive no further pension herein provided. Cost of the lump sum benefit above provided shall be determined by actuarial calculation and prorated equitably to each city. The benefits provided in this section shall be exclusive of any other benefits due the member under this chapter. [2012 c 117 § 74; 1973 1st ex.s. c 154 § 79; 1961 c 227 § 10; 1957 c 158 § 6; 1947 c 71 § 21; Rem. Supp. 1947 § 9592-150.]

Severability-1973 1st ex.s. c 154: See note following RCW 2.12.030.

RCW 41.44.220 Optional allowance on retirement. A member may elect to receive in lieu of the retirement allowance provided for in RCW 41.44.150, its actuarial equivalent in the form of a lesser retirement allowance, payable in accordance with the terms and conditions of one of the options set forth below in this section. Election of any option must be made by written application filed with the board at least thirty days in advance of retirement, or may be made by any member after he or she has attained the minimum requirements for his or her service retirement as required by RCW 41.44.140, and shall not be effective unless approved by the board prior to retirement of the member.

Option A. The lesser retirement allowance shall be payable to the member throughout his or her life: PROVIDED, That if he or she die before he or she receives in annuity payments referred to in paragraph (a) of subsection (1) of RCW 41.44.150 a total amount equal to the amount of his or her accumulated contributions as it was at date of his or her retirement, the balance of such accumulated contributions shall be paid in one sum to his or her estate or to such person having an insurable interest in his or her life as he or she shall nominate by written designation duly executed and filed with the board.

Option B. The lesser retirement allowance shall be payable to the member throughout life, and after death of the member, one-half of the lesser retirement allowance shall be continued throughout the life of and paid to the wife or husband of this member.

Option C. The lesser retirement allowance shall be payable to the member throughout life, and after death of the member it shall be continued throughout the life of and paid to the wife or husband of the member.

A member may apply for some other benefit or benefits and the board may grant such application provided such other benefit or benefits, together with the reduced retirement allowance, shall be certified by the actuary to be of equivalent value to his or her retirement allowance.

The surviving spouse may elect to receive a cash refund of the member's accumulated contributions in lieu of the monthly benefit under either Option B or Option C. [2012 c 117 § 75; 1965 ex.s. c 99 § 9; 1947 c 71 § 22; Rem. Supp. 1947 § 9592-151.]

- RCW 41.44.230 Monthly payments. A pension, annuity, or a retirement allowance granted under the provisions of this chapter, unless otherwise specified herein, shall be payable in monthly installments, and each installment shall cover for the current calendar month. [1947 c 71 § 23; Rem. Supp. 1947 § 9592-152.]
- RCW 41.44.240 Rights immune from legal process—Exceptions. right of a person to a pension, annuity or a retirement allowance, to the return of contribution, the pension, annuity or retirement allowance itself, any optional benefit, any other right accrued or accruing to any person under the provisions of this chapter, and the moneys in the fund created under this chapter shall not be subject to execution, garnishment, or any other process whatsoever whether the same be in actual possession of the person or be deposited or loaned. This section shall not apply to child support collection actions taken under chapter 26.18, 26.23, or 74.20A RCW against benefits payable under any such plan or arrangement. Benefits under this chapter shall be payable to a spouse or ex-spouse to the extent expressly provided for in any court decree of dissolution or legal separation or in any court order or court-approved property settlement agreement incident to any court decree of dissolution or legal separation. [2012 c 159 § 27; 1989 c 360 § 28; 1979 ex.s. c 205 § 7; 1947 c 71 § 24; Rem. Supp. 1947 \$ 9592-153.]
- RCW 41.44.250 Suspension of retirement allowance. The payment of any retirement allowance to a member who has been retired from service shall be suspended during the time that the beneficiary is in receipt of compensation for service to any city or town that is a member of the statewide city employees' retirement system, except as to the amount by which such retirement allowance may exceed such compensation for the same period. It is the intent of this section to prevent any retired person from being able to receive both his or her retirement allowance and compensation for service to any city or town that is a member of the statewide city employees' retirement system: PROVIDED, That nothing in this section shall prevent county or state welfare departments from furnishing to any retired employee under the terms of this chapter the hospital, medical, dental, and other benefits granted to pensioners under the provisions of Title 74 RCW. [2012 c 117 § 76; 1951 c 275 § 15; 1947 c 71 § 25; Rem. Supp. 1947 § 9592-154.1
- RCW 41.44.260 Merger of existing or new systems into statewide system—Contract. The council or other legislative body of any city or town in which there has been established or may hereafter be established by ordinance or pursuant to authority granted, or hereafter granted, by any of the laws of the state of Washington, any retirement system, pension, relief or disability system, excluding any system directly established by the legislature of the state of Washington and by its terms made compulsory, shall have the right by a legal contract in writing to merge or integrate its existing system with that of the statewide city employees' retirement system established by chapter 71, Laws of 1947 [chapter 41.44 RCW]. Any such contract shall contain appropriate provisions granting to any member

of the systems integrated or merged the right to elect to withdraw his or her accumulated contributions accrued to the effective date of the merger or integration where the contract would result in a reduction or impairment of the benefits provided for in the existing system of which he or she is a member, and no such contracts shall be effective which shall reduce or impair the benefits which employees who are receiving benefits from either of the integrated systems would have received had the integration or merger not been effected. [1949 c 137 § 1; Rem. Supp. 1949 § 9592-133a.]

RCW 41.44.270 Agreements between board and cities which accept social security act benefits. Should any member city of the statewide city employees retirement system established pursuant to this chapter, hereafter take advantage of any benefits lawfully available to its employees and their survivors under the old age and survivors insurance system embodied in the social security act, or should any city which has lawfully taken advantage of such benefits desire to become a member of the statewide city employees retirement system, such city and the board shall have the power to enter into an agreement mutually satisfactory to both parties adjusting the contributions to be made by such city and by its employees and the benefits to be paid by the statewide city employees retirement system, in such a manner to permit the participation of such city in the system as a member with reduced benefits to its employees and reduced contributions by the city and by its employees: PROVIDED, That such adjustment shall be made upon an actuarially sound basis and that as to all matters, other than those changed by such agreement, the provisions of the statewide city employees retirement system law shall apply: PROVIDED FURTHER, That unless such an agreement is entered into by mutual consent of such city and the board, all of the provisions of the statewide city employees retirement system law shall be applicable. [1953 c 228 § 9.]

RCW 41.44.300 System abolished—Date—Transfer of assets, liabilities, and responsibilities. Notwithstanding any provisions of chapter 41.44 RCW to the contrary, the statewide employees' retirement system shall no longer exist after January 1, 1972, at which time all assets, liabilities, and responsibilities of the statewide city employees' retirement system shall be transferred to and assumed by the Washington public employees' retirement system as provided for in *RCW 41.40.405 through 41.40.407. [1971 c 75 § 4.]

*Reviser's note: RCW 41.40.405 through 41.40.407 were decodified pursuant to 1991 c 35 \$ 4.

RCW 41.44.900 Construction—Chapter applicable to state registered domestic partnerships—2009 c 521. For the purposes of this chapter, the terms spouse, marriage, marital, husband, wife, widow, widower, next of kin, and family shall be interpreted as applying equally to state registered domestic partnerships or individuals in state registered domestic partnerships as well as to marital relationships and married persons, and references to dissolution of marriage shall apply equally to state registered domestic partnerships that have been terminated, dissolved, or

invalidated, to the extent that such interpretation does not conflict with federal law. Where necessary to implement chapter 521, Laws of 2009, gender-specific terms such as husband and wife used in any statute, rule, or other law shall be construed to be gender neutral, and applicable to individuals in state registered domestic partnerships. [2009 c 521 § 100.]

Effective dates—2009 c 521 §§ 5-8, 79, 87-103, 107, 151, 165, 166, 173-175, and 190-192: See note following RCW 2.10.900.